

COMMUNITY ASSET TRANSFER POLICY

Executive Summary

Community Asset Transfer involves transferring the ownership of land or buildings from a statutory body to a community organisation in order to achieve public benefit. This report recommends to Council the adoption of the Community Asset Transfer (CAT) Policy which has been drafted with support from Local Partnerships and the Local Government Association (LGA), as well as with input from community representatives.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

the Community Asset Transfer (CAT) Policy, as attached at Appendix 1 to the report, be adopted.

Reasons for Decision

Reason: The Council has a number of assets that have the potential to be run by community organisations (referred to as community enterprises). This would enable the Council to create savings whilst the asset is retained for social benefit. Community Asset Transfers (CATs) also have the opportunity of supporting the Borough's voluntary and community sector in their development and economic growth.

The item(s) above will need to be dealt with by way of a recommendation to Council.

Background Papers: None.

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Community Asset Transfer Policy

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1.0 Introduction

- 1.1 The Council is currently in discussions with community enterprises regarding the transfer of assets, which is made challenging by not having an existing framework or policy in place that has been formally agreed and adopted by the Council.
- 1.2 Many authorities conduct community asset transfers and have Community Asset Transfer (CAT) policies in place, and 8 different Council policies have been reviewed to inform the way forward for Woking Borough Council. The drafting of the policy has been supported by Local Partnerships with the support of the LGA, with input from community representatives the Council is currently working on for a CAT.

2.0 Key Considerations

- 2.1 A CAT is not an easy option, and takes effort and time to proceed with the community enterprise. Nevertheless, the rewards can be significant in a valued asset and service being retained under the control of the community.
- 2.2 The process needs to be fair, transparent and based on co-operation. The Council needs to be assured that the transfer of the asset it currently holds on behalf of the community is going to continue to provide that community benefit. If this due diligence did not take place, then the Council will be failing in its responsibilities to the Borough residents. However, the process does need to be proportionate to the scale and level of the asset, and not put community enterprises off by being too bureaucratic. The policy (in its tone and language) aims to be accessible and the Expression of Interest (Appendix 3) and Business Case (Appendix 4) templates not too onerous whilst providing the assurances the Council needs.
- 2.3 In accepting the policy, the Council agrees to the following objectives for CAT:
 1. CATs will be a route to sustaining valued community assets and enabling locally run services to thrive and flourish independent of council funding.
 2. CATs will be a vehicle for enabling and empowering community enterprises to directly operate assets and to support the growth and development of the third sector.
 3. CATs will foster social and economic benefits for the local area, focusing on social inclusion and be environmentally considerate.
- 2.4 At the outset the asset should be considered if right for transfer based on wider value to the community. For example, the selling of the site could be the best value option with the income generated to provide services for the whole Borough. The site should also be considered in terms of community need – if there is existing assets or services of equal quality and value then decommissioning the asset could be the better option.
- 2.5 The policy outlines the establishment of a CAT Board consisting of Officers from property, finance, legal and service representatives. They will use their collective expertise to decide if a CAT is the best route for an asset. Also, the Board would agree the progression of a CAT at the different stages including at Expression of Interest and Business Case.
- 2.6 The Council will also agree to the following commitments:
 - Work closely with community enterprises in a co-operative manner to achieve the best results for Woking.
 - Operate in a transparent way to ensure the community enterprise will have all the information it needs to make a decision to accept a transferred asset.

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- Expect the community enterprise to respect the confidential nature of information and not share beyond those who need to know.
- Address any blockages in decision making and progressing with the CAT in a timely manner.
- The Council will expect the community enterprise to operate the same commitments.

2.7 These commitments are really important and would expect all parts of the Council to follow them in finding solutions and support the community enterprise in a timely manner.

2.8 Timescales for the different stages are included in the policy as a guide. This is to ensure the process and negotiations from either party does not drag – with a protracted timescale the asset may not meet its potential and a different option might have been better for the wider community. Also, the community enterprise nor the Council will have endless resources to apply to a CAT, and hence the policy only has 2 options for the community enterprise to submit an Expression of Interest and Business Case (which is fair as long as the Council is consistent with its approach and advice).

3.0 Summary

3.1 As mentioned above, the requirements of the community enterprise have been tested with the community representatives who are interested in a CAT. This proved extremely valuable, however, the policy is a guide and assets and community enterprises will have different requirements and needs – therefore a degree of flexibility is required.

3.2 A submission has been made to the UKSPF – this would provide funding for independent legal advice for the community enterprise at the business case stage (with parameters), cover other costs to each party, and it is suggested that a Community Broker be employed to ensure the CATs transfer in a timely manner (a job description is attached at Appendix 5).

4.0 Corporate Strategy

4.1 Community Asset Transfer supports the Woking for All objectives of both healthier and prosperous communities. Asset transfer can unlock community enterprise and volunteer commitment to enable continued access to important local facilities.

5.0 Implications

Finance and Risk

5.1 The policy sets out key financial and risk considerations that will need to be determined prior to any CAT taking place. The policy outlines the establishment of a CAT Board consisting of Officers from property, finance, legal and service representatives. They will use their collective expertise to decide if a CAT is the best route for an asset.

5.2 The policy sets out in detail the potential risks attached with CAT transfer and the solutions that will need to be in place to mitigate against these.

Equalities and Human Resources

5.3 All organisations applying for a CAT transfer will be asked to include equalities information in their business case.

5.4 The Council will deliver the CAT policy through the appointment of a Community Broker who will work with community organisations to facilitate the CAT process. This post will be funded through UK Shared Prosperity Funding.

Legal

- 5.5 The CAT Board will provide a legal oversight of any potential CAT transfers. It should be noted there is a general legal requirement to achieve best value in property transactions, a CAT transfer will not be considered where the option to sell would deliver greater value to the Council.
- 5.6 Heads of terms will be proportionate to the scale of the transfer, aiming to support the long-term success of the venture whilst also meeting the legal and statutory obligations.

6.0 Engagement and Consultation

- 6.1 A six-week public consultation on the proposed service reduction ran from October to November which gave residents and community stakeholders the opportunity to have their say on the proposed changes to services. In total, 5,792 responses were received.
- 6.2 A number of community groups (12) expressed interest in the management of pavilions (based on a Community Asset Transfer Scheme) subject to conditioning surveys of the pavilions.
- 6.3 The Council tested the draft CAT policy with one such Community Group, running through how it could work in practice.

REPORT ENDS

Appendices

Appendix 1 – Community Asset Transfer Policy and Guide

Appendix 2 – Community Asset Transfer Roadmap

Appendix 3 – Community Asset Transfer Expression of Interest

Appendix 4 – Community Asset Transfer Business Case

Appendix 5 – Community Broker Job Description